

# Industrial Clusters And Micro And Small Enterprises In Africa - World Bank

[DOWNLOAD HERE](#)

The World Bank, Japan International Cooperation Agency (JICA) Research Institute, and the Foundation for Advanced Studies on International Development (FASID), in collaboration with researchers affiliated with the African Economic Research Consortium (AERC), recently conducted a study on Africa's domestic enterprises to improve the understanding of the constraints micro and small enterprises in Africa face in improving productivity and expanding their markets. In Africa, there are stark performance gaps between domestically owned enterprises and foreign-owned enterprises in terms of sales performance, productivity, and ability to reach distant markets. Among others, size appears to be a dominant factor in explaining the gap. Against this background, the study analyzes how naturally formed industrial clusters-concentrations of enterprises engaged in same or closely related industrial activities in specific locations-could potentially mitigate constraints Africa's micro and small enterprises face and enhance their business performance. The study is one of the first comprehensive quantitative inquiries on industrial clusters in Africa. The analysis specifically focuses on the role of spontaneously grown clusters of light manufacturing industries based on a set of original case studies of industrial clusters conducted for this research project. One of the key findings from the case studies was that cluster-based micro and small enterprises are performing better than similar micro and small enterprises outside of the clusters in terms of sales performance and ability to reach distant markets. Market access is a leading reason for cluster-based enterprises to choose their current locations. However, cluster-based enterprises face another set of unique growth constraints. By the very nature of spontaneous agglomeration, new enterprises continue to flow to the clusters seeking the profit opportunities and better access to markets at such locations. The result can be intense competition in addition to increased congestion. Space constraints often impede growth within clusters. The lack of alternative locations available for industrial activities in the same cities, generic infrastructure bottlenecks, and unclear zoning policies and their unpredictable changes limit firms' location choices and constrain their mobility. While competition should improve efficiency, lack of capacity among those competing cluster-based enterprises to invest and

innovate does not generate growth out of the competition. The vast majority of naturally formed clusters of light manufacturing industries in Africa are still at a "survival" level, where agglomeration externalities are only limited to expand quantity but not quality as we observe in more advanced innovation-oriented clusters in elsewhere in the world. Existing studies on such natural industrial clusters in Africa have found that the lack of managerial skills among entrepreneurs running micro and small enterprises is a major constraint for innovation and growth in the clusters. As a part of this study, pilot managerial skills training programs were conducted in two industrial clusters on an experimental basis, where a group of randomly selected entrepreneurs within the clusters were given three-week long crash course of based management such as bookkeeping, marketing, business planning, and production management. The impact evaluation of the experiments showed significant positive impacts of the training programs on value added and gross profits of enterprises. Raising the current survival-type industrial clusters, which have been formed as a coping mechanism to weak investment climate, into more dynamic innovating clusters will be an important avenue for fostering growth of micro and small enterprises in Africa. While national efforts to improve investment climate and investments in human capital are undoubtedly important, there could be more targeted policies to be formulated, in comp

Author: Bank, World  
Publisher: World Bank Publications  
Illustration: N  
Language: ENG  
Title: Industrial Clusters and Micro and Small Enterprises in Africa  
Pages: 00208 (Encrypted EPUB)  
On Sale: 2010-12-30  
SKU-13/ISBN: 9780821386279  
Category: Business & Economics : Development - Business Development

[DOWNLOAD HERE](#)

### Similar manuals:

[Rothenburg Upon The River Tauber Middle Frankonia Bavaria Germany Business Sign Restaurant Altes Bruhaus](#)

[Number 1 of 10 In A Series Of Photographs Showing The Development Of A Broad-bodied Chaser Libellula Depressa](#)

[Number 2 Of 10 In A Series Of Photographs Showing The Development Of A Broad-bodied Chaser Libellula Depressa](#)

[Number 3 Of 10 In A Series Of Photographs Showing The Development Of A Broad-bodied Chaser Libellula Depressa](#)

[Number 4 Of 10 In A Series Of Photographs Showing The Development Of A Broad-bodied Chaser Libellula Depressa](#)

[Number 5 Of 10 In A Series Of Photographs Showing The Development Of A Broad-bodied Chaser Libellula Depressa](#)

[Number 6 Of 10 In A Series Of Photographs Showing The Development Of A Broad-bodied Chaser Libellula Depressa](#)

[Number 7 Of 10 In A Series Of Photographs Showing The Development Of A Broad-bodied Chaser Libellula Depressa](#)

[Number 8 Of 10 In A Series Of Photographs Showing The Development Of A Broad-bodied Chaser Libellula Depressa](#)

[Number 9 Of 10 In A Series Of Photographs Showing The Development Of A Broad-bodied Chaser Libellula Depressa](#)

[Number 10 Of 10 In A Series Of Photographs Showing The Development Of A Broad-bodied Chaser Libellula Depressa](#)

[Rich Businessmen](#)

[Rich Businessmen](#)

[Rich Businessmen](#)

[Symbolic For Business Men](#)

[Symbolic For Business Men](#)

[Businesspeople And Money](#)

[Businessman And Money](#)

[Symbolic For Right Way In Business](#)

[Symbolic For Right Way In Business](#)

[Symbolic For Right Way In Business](#)

[Symbolic For Right Way In Business](#)

[Symbolic For Right Way In Business](#)

[Symbolic For Right Way In Business](#)

[Businessman And Money](#)

[Businessman And Money](#)

[Businessman And Money](#)

[Symbolic For Businessmen And Money](#)

[Businessmen And Money](#)

[Businessmen And Money](#)

[Ukraine Kiev Place Of Independence Northern Part With Historical Buildings In Sowjet Realism Architecture With Glasdome Of Shopping Center Globus I Businesspeople Tourists Visitors Blue Sky 2004](#)

[Crosswalk With Yellow Car-stop Button And A Businessman Crossing. Paarl - South-Africa](#)

[Businessmann Standing In A Papership Made Of Banknote](#)

[Businessmann Standing In A Papership Made Of Banknote](#)

[Businessmann Standing In A Papership Made Of Banknote](#)

[Businesspeople Looking Through A Loupe On A Papership Made Of Euro Banknote](#)

[Businesspeople Looking Through A Loupe On A Papership Made Of Euro Banknote](#)

[Business People Looking Through A Loupe](#)

[Business People Looking Through A Loupe](#)

[Fuel-price Development](#)

[Fuel-price Development](#)

[Fuel-price Development](#)

[Symbolic Business People Under Loupe](#)

[Accumulation Of Inflatable Multicolored Swimming Tires In Business For Beach Accessories.](#)

[Morning Mood In The Brussels City Center To The St. Michels St. Michiels Cathedral. Illuminated Business In A Wilhelminian Style Building Before Cathedral In The Blue Morning Light.](#)

[Business Manager With No Money In His Pocket Is Totally Washed Out](#)

[Business Manager With No Money In His Pocket Is Totally Washed Out](#)

[Business Manager With No Money In His Pocket Is Totally Washed Out](#)

[Business Manager With No Money In His Pocket Is Totally Washed Out](#)

[Business Manager Inserts Mobile Phone In His Pocket](#)